Information Services Board Meeting Minutes – January 13, 2005
Department of Information Services Boardroom, The Forum Building
Olympia, Washington

Members Present:
Glenn Anderson
Tom Clarke
Marty Daybell
Luke Esser
Ross Hunter
Ed Lazowska
D.J. Mark
Mike McVicker
Gary Robinson
Fred Stephens

Members Absent:
Tom Fitzsimmons
Jayasri Guha
Earl Heister

Roll Call	A sufficient number of members were present to constitute a quorum. The meeting was called to order by Vice Chair Mike McVicker.
Approval of the Consent Agenda	The Consent Agenda was approved, which included: • November 10, 2004 Minutes • Two nominations to the State Interoperability Executive Committee • The State Interoperability Executive Committee High-Level Final Statewide Public Safety Communications Interoperability Plan • The Geographic Information Technology Committee Strategic Plan.
Offender Management Network Information System	Tom Wallace, Department of Information Services, gave a brief overview of the progress of the Offender Management Network Information (OMNI) System. The Department of Corrections (DOC) and IBM negotiated Amendment 7 of the OMNI contract, which significantly changed the scope, schedule, and budget of OMNI Phase 2. DOC has made some changes to the project plan in response to recommendations of the Sierra Systems report. Although the Phase 2 application will not be deployed at the end of this biennium as originally intended, it will provide DOC with functioning code and development artifacts that will be the basis for development efforts in Phase 3. DOC and IBM expressed confidence that they will achieve this new scope and complete Phase 2 by the end of this biennium. On December 2, 2004, DOC received the resignation of the Quality Assurance consultant, Coplan and Company. DOC

recently completed an RFQQ for a new consultant.

Staff recommended that the Board approve DOC's request to expend additional project funds in order to complete OMNI Phase 2. In addition, the terms and conditions of Amendment 7 required the ISB's approval for project expenditures related to that amendment. Phase 3 is scheduled for completion by June 30, 2006.

Motion: The Board moved to approve spending $1,095,000 to support Amendment 7 of the OMNI project, on the condition that DOC report back to the Board at the March meeting and with the understanding that the contract is structured as performance-based pay-for-deliverables. The motion passed 7-2 with Representative Glenn Anderson and Senator Luke Esser voting no, and Representative Ross Hunter abstaining.

Waiver Process Approval

Jeff Holm, Department of Information Services, presented a proposed update to the ISB waiver request process. The proposal included: elevating the waiver process language to a stand-alone document that details the waiver procedure; documents business justification content; and outlines the appeal process if the waiver request is denied.

Motion: The Board moved to amend the waiver process to strike "or their designee" from the sentence that read *"Signed by the chief executive of the agency or their designee"*. The motion passed.

Motion: The Board moved to approve the Policy Waiver Procedure. The motion passed.

Project Management Framework

Jim Albert, Office of the Attorney General, gave an overview of the Project Management Framework and Web site. The goal of the Framework is to reduce the risk of project failure due to inadequate project management. He reviewed the project lifecycle and various templates offered.

Motion: The Board moved to adopt the Project Management Framework as ISB Guidelines. The motion passed.

Human Resource Management System

Tom Parma, Department of Information Services, gave a brief overview regarding the current status of the project. He advised that there is a high probability that the project will not meet the July 1, 2005 deadline established in the Personnel Systems Reform Act (PSRA).

Mr. Parma recommended that the Department of Personnel (DOP) re-examine the Quality Assurance (QA) reports, particularly regarding the integrated work plan. He also suggested that DOP communicate their decision regarding

implementation to the agencies and ensure that key staff are available to support the contingency staff. Gene Matt, Department of Personnel, informed the Information Services Board that HRMS will not go live in March and April as was previously planned. The project team is currently engaged in a re-planning effort for the entire project. The revised, integrated plan is estimated to be complete by mid-February.

The core modules have been configured and three levels of system tests have been completed; however, systems testing for the interfaces has not been completed.

Brian Turner, the project manager, reported that training materials have been developed and training has begun for group one agencies. He added that the technical environment needed to support the system is in place and has been tested. The performance test will begin in the next 30 days to determine the stability of the production environment.

Gene Matt informed the Board that DOP has withheld payment for Accenture deliverables that have not been received, or deliverables that have been received but either returned for rework or are pending acceptance. Jens Egerlund, Accenture Managing Partner, reassured the Board that this would not cause a problem in obtaining appropriate resources.

The project team recognizes that the biggest risks to the project are addressing unknowns in the re-planning effort. They are currently engaged in resolving the recommendations from the QA report and have completed 28 of them.

Insurance System Replacement Project

Tom Parma, Department of Information Services, gave an introduction to the Insurance System Replacement Project (ISRP) post project review. The goal of this project was to combine the Public Employee Benefits System and the Basic Health Benefits System into one system.

Connie Robins, Health Care Authority (HCA) Deputy Administrator, discussed the results of the settlement negotiations with Healthaxis, the project vendor. Healthaxis returned $300,000 and cancelled an outstanding invoice of an additional $185,000. They also granted the Health Care Authority exclusive rights to the requirements and design work that had been performed.

In the post project review, it was assessed that vendor and contract management issues, leadership, project management practices, and scope and requirements management were the critical issues affecting the outcome of the project. While the Request for Proposals clearly stated the requirement for a commercial off-the-shelf (COTS) product, the contract did not

reinforce that intent. The contract failed to establish clear expectations or deliverables.

The Health Care Authority has made, and will be making future improvements to assure project success as they proceed with this endeavor. They have reorganized and created a project manager position that will be responsible for ensuring that all agency activities, not just IT, follow project management guidelines. HCA has reestablished the executive steering committee and expanded its role to include advisory as well as strategic planning for information systems.

Because DOP's legacy PAY1 system supports HCA's Public Employees' Benefits (PEBB) eligibility system, there remains the need to develop this new system. HCA is preparing a business justification and feasibility study for this project and will be limiting the scope to PEBB. They are currently engaged in the requirements assessment and feasibility study review. HCA plans to return to the Board with a proposal in July 2005.

Adjournment   The meeting was adjourned.